



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

October 15, 2025

Via Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Section 529 Investigation of Conneaut Lake Park Water Corporation, Inc.
Docket Nos. P-2024-3051855 and I-2024-3051857
I&E Second Prehearing Memorandum

Dear Secretary Homsher:

Enclosed for electronic filing please find the Second Prehearing Memorandum of the Bureau of Investigation and Enforcement in the above-captioned proceeding.

Copies are being served on parties per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Michael Podskoch'.

Michael A. Podskoch, Jr.
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 330132
(717) 783-6151
mpodskoch@pa.gov

MAP/ac
Enclosures

cc: Administrative Law Judge Eranda Vero (via email – evero@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Section 529 Investigation of Conneaut : Docket Nos. P-2024-3051855
Lake Park Water Corporation, Inc. : I-2024-3051857

**SECOND PREHEARING MEMORANDUM OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO ADMINISTRATIVE LAW JUDGE ERANDA VERO:

The Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) respectfully submits the following Prehearing Memorandum in the above-captioned proceeding.

The Bureau of Investigation and Enforcement Prosecutors in this proceeding will be Michael A. Podskoch, Jr. and Adam J. Williams. Contact information is as follows:

By mail: Michael A. Podskoch, Jr.
 Adam J. Williams
 Pennsylvania Public Utility Commission
 Bureau of Investigation and Enforcement
 Commonwealth Keystone Building
 400 North Street
 Harrisburg, PA 17120

By e-mail: mpodskoch@pa.gov
 adawilliam@pa.gov

By telephone: (717) 783-6151
 (717) 783-8754

I. INTRODUCTION

On August 31, 2023, Conneaut Lake Park Water Corporation, Inc. (“CLPWC” or “Company”) filed proposed Supplement No. 1 to Tariff – Water Pa. P.U.C. No. 1 to become effective October 31, 2023 at Docket No. R-2023-3041575. Simultaneously with the base rate filing (“rate case”), CLPWC filed a Petition for Approval of a Metering Exception (“metering petition”) at Docket No. P-2023-3042648. The parties to the rate case included: CLPWC, I&E, the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), several individual customers, and approximately 67 Conneaut Lake residents represented by Joshua D. Brown, Esquire.

On October 19, 2023, the Commission entered an Order suspending the implementation of the proposed rates by operation of law until May 31, 2024, and opening an investigation into the lawfulness, justness, and reasonableness of the proposed rates, rules, and regulations contained therein. On October 26, 2023, a telephonic Prehearing Conference was held before Administrative Law Judges (“ALJs”) Eranda Vero and Arlene Ashton during which the rate case and the metering petition were consolidated and the parties agreed to engage in mediation.

During the course of the rate case, I&E confirmed that CLPWC has been in violation of several Commission Regulations and provisions of the Public Utility Code.¹ Additionally, at the public input hearings held on December 7, 2023, many customers testified about customer service issues, water quality issues, the poor state of the water system, retaliatory and threatening communications with customers by the Company’s

¹ See I&E Petition for Section 529 Investigation, pp. 7-8.

owner Todd Joseph, and about being charged tapping fees to connect their residences to the water system.²

The mediation proceedings culminated in a Settlement among the parties. The Settlement contained certain provisions wherein I&E agreed to initiate a Section 529³ proceeding no later than three months after entry of a Commission Order. On July 1, 2024, ALJs Vero and Ashton issued a Recommended Decision recommending that the Commission approve the Settlement. On August 1, 2024, the Commission entered an Order approving the Settlement. Pursuant to the terms of the Settlement, I&E filed a Petition on October 28, 2024 requesting that the Commission open a Section 529 Investigation into whether the Commission should order a capable public utility to acquire Conneaut Lake Park Water Corporation, Inc. owned by Todd Joseph.

On November 5, 2024, Aqua Pennsylvania, Inc. (“Aqua”) filed a Petition to Intervene which was subsequently granted. On November 12, 2024, OCA filed a Notice of Intervention and Public Statement, and an Answer in Support of I&E’s Petition. That same day, OSBA filed a Petition to Intervene and Public Statement, and CLPWC filed an Answer to I&E’s Petition.

A telephonic Prehearing Conference was held on November 13, 2024 before ALJs Vero and Ashton⁴ during which the parties agreed to engage in discovery and settlement discussions and to provide a monthly status report to the ALJs. Additionally, OCA repeated its request from its Prehearing Memorandum that a separate settlement judge be

² See I&E Petition for Section 529 Investigation, p. 8.

³ 66 Pa. C.S. § 529.

⁴ On March 28, 2025, a notice was provided that ALJ Vero would be the presiding judge in this proceeding.

assigned to this proceeding, to which the other parties either agreed with or did not object to. On November 25, 2024, an Order was entered granting OCA's request and assigning Administrative Law Judge Gail Chiodo to serve as the settlement judge in this proceeding.⁵

Following several months of discovery and settlement negotiations, the parties filed their Tenth Joint Status Report on September 19, 2025 informing the ALJs that settlement efforts were at an impasse and requesting that a prehearing conference be scheduled. By Order dated September 24, 2025, settlement negotiations with ALJ Chiodo were terminated and the proceeding was referred to ALJ Vero for adjudication.

Pursuant to the Prehearing Conference Order issued on October 7, 2025, a telephonic Prehearing Conference is scheduled on October 17, 2025 at 10:00 a.m. before ALJ Vero.

II. ISSUES

The following list represents I&E's preliminary determination of the potential issues in this proceeding:

1. Should the Commission order a capable public utility to acquire Conneaut Lake Park Water Corporation, Inc.?
2. Are the six elements of 66 Pa. C.S. § 529(a) met?
3. Is Aqua Pennsylvania, Inc. or another utility a capable public utility for purposes of 66 Pa. C.S. § 529?

The listing is as complete as can be made at this time. I&E specifically reserves the right to address other issues as it deems appropriate if any such relevant issues arise.

⁵ That same day, a Corrected Order was issued correcting the Order's service date.

III. WITNESSES

It is currently expected that I&E may call the following expert witnesses without being limited thereto:

1. Zachari Walker, Fixed Utility Financial Analyst
2. Ethan Cline, Fixed Utility Valuation Engineer

The I&E witnesses may be contacted through the information listed above for Mr. Podskoch and Mr. Williams. The witness list is provided without the benefit of complete discovery or analysis of the positions of the other parties to this proceeding.

Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of the witnesses listed above.

IV. EVIDENCE

I&E expects to present all written direct, rebuttal, and surrebuttal testimony and accompanying exhibits at the evidentiary hearings. Moreover, I&E intends to rely on the Company's filing, supplemental testimony, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources, and other public documents and reports. However, there may be issues of law or Commission policy that are not properly the subject of testimony or factual issues that are clear on the record and need not be supported by testimony. I&E thereby reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed through briefing.

V. DISCOVERY

I&E has not proposed any discovery modifications. I&E will work with the parties to determine the appropriate discovery modifications in this proceeding.

VI. SCHEDULE

I&E, OCA, and OSBA propose the following litigation schedule:

Direct Testimony	January 28, 2026
Rebuttal Testimony	February 25, 2026
Surrebuttal Testimony	March 18, 2026
Written Rejoinder	March 30, 2026
Hearings	March 30-April 2, 2026
Main Briefs	April 28, 2026
Reply Briefs	May 12, 2026

I&E proposes that the evidentiary hearings be held in Harrisburg in order to save the Commission the expense of sending the I&E prosecutors and witnesses to out-of-town hearings.

VII. PUBLIC INPUT HEARINGS

I&E, OCA, and OSBA propose that public input hearings be held the week of January 12, 2026.

VIII. SERVICE OF DOCUMENTS

I&E requests that all documents in this proceeding be served on:

Michael A. Podskoch, Jr., Esq.
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Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
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For purposes of satisfying in-hand requirements for discovery responses, prepared testimony, briefs, and other documents during this proceeding, and consistent with Commission regulations and policy, I&E proposes to both only serve and accept electronic delivery of documents.

IX. SETTLEMENT

I&E will maintain an open dialogue and is willing to make good faith efforts to successfully resolve this matter through settlement. In the event settlement discussions fail to result in a full and complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding.

Respectfully submitted,



Michael A. Podskoch, Jr.,
Prosecutor
PA Attorney ID No. 330132

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Dated: October 15, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Section 529 Investigation of Conneaut Lake : Docket Nos. P-2024-3051855
Park Water Corporation, Inc. : I-2024-3051857

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Second Prehearing**

Memorandum dated October 15, 2025, in the manner and upon the persons listed below.

Served via Electronic Mail Only

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